(b) whether there is any proposal before Government for setting up of more Agro Export Zones; and

(c) if so, the details thereof?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA) (a) to (c) The Central Government has so far sanctioned 24 Agri Export Zones which are being set up in various states. Agricultural and Processed food Products Export Development Authority (APEDA), an organization under Department of Commerce (Ministry of Commerce and Industry) has so far signed Memorandum of Understanding (MOU) with State Government of West Bengal, Karnataka, Uttranchal, Punjab, Uttar Pradesh Maharashtra, Andhra Pradesh, Tripura, Madhya Pradesh, Jammu & Kashmir, Tamil Nadu and Bihar for 18 Agri Export Zones.

New Agro and Rural Industries Policy

5247. SHRIMATI S.G. INDIRA: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is proposed to formulate a new Agro and Rural Industries policy considering the recent changes in economic liberalisation and globalisation;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA): (a) to (c) In order to meet the challenges in the context of economic liberalisation and globalisation, the Government of India has already announced a special package on 14.05.2001 for strengthening the KVI sector including agro and rural industries. The Khadi package has provision for renovation and modernization of sales outlets, insurance cover for Khadi artisans, option between rebate and Market Development Assistance (MDA), creation of packaging and design facilities, measures to promote marketing, brand building and cluster development, technology upgradation, quality control, marketing through publicity and advertisement etc. The operational details of the Khadi Package have been worked out for effective implementation and monitoring. The additional backward and forward linkages whenever required will be further strengthened as a policy

intervention to make the Agro & Rural Industries Sector globally competitive.

Development of Cottage Industries in Andhra Pradesh

5248. DR. DASARI NARAYANA RAO: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether Government have any action plan or package for development of cottage industries in Andhra Pradesh;

(b) if so, the details thereof; and

(c) the present status of the cottage industries in the State?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA): (a) and (b) No, Sir. The Government through the Khadi and Village Industries Commission (KVIC) is already implementing the Rural Employment Generation Programme (REGP) throughout the country for the development of Khadi and Village Industries including agro and rural industries. Under this scheme the KVIC provides margin money assitance at the rate of 25% of the project cost upto Rs. 10 lakhs and for the project above Rs. 10 lakhs and upto Rs. 25 lakhs, rate of margin money is 25% of Rs. 10 lakhs plus 10% on remaining cost of the project. In the case of SC/ ST/OBC/Women/Physically Handicapped/Ex-Servicemen and Minority Community beneficiary/institution and for hill border and tribal areas, North Eastern Region, Sikkim, Andaman & Nicobar Island, Lakshadweep, the margin money grant is 30% of the project cost upto Rs. 10 lakhs but above this amount and upto Rs. 25 lakhs it is 10% of the remaining cost of the project. Under this scheme, the beneficiary's contribution is at least 10% of the project cost. In case of SC/ST and other weaker sections, beneficiary's contribution is 5% of the project cost. This scheme is being implemented through Public Sector Banks, Regional Rural Banks, etc.

Moreover, for the development and promotion of KVI sector the Government has recently announced a package on 14.5.2001. The package consists of Rebate Policy for five years, option of Rebate and Market Development Assistance (MDA), Insurance cover to the Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development.